

R E M A R K S

Claims 1 - 66 are pending in the present application.

Claims 1, 50, 54, and 59 - 66 are independent.

Section 102(e) and 103(a) Rejections

Claims 1 - 3, 5 - 8, 10 - 14, 20 - 22, 24 - 26, 31, 37 - 42, 50, 54 - 57 and 59 - 66 stand rejected as anticipated by U.S. Patent No. 6,108,639 to Walker et al. ("the Walker patent").

Claims 4, 9, 15 - 19, 23, 27 - 30, 32 - 36, 43 - 49, 51 - 53 and 58 are rejected as being unpatentable over the Walker patent discussed above in light of other references.

Claims 1, 50, 54, and 59 - 66 are independent. Independent claims 1, 54 and 60 - 63 generally recite various limitations involving a *reward*. Remaining independent claims 50, 59 and 64 - 66 generally recite various limitations involving a *penalty*.

Reward limitations.

The Office Action characterizes the *reward* limitations as being disclosed by Col. 16, lines 5 - 12 of the Walker patent. On page 11 of the Office Action, the Examiner asserts that the secondary market item of the Walker patent is interpreted as the *reward* of the pending claims.

In response, independent claims 1, 54 and 60 - 63 have been amended to make express that the *reward* recited in each of those claims is a reward other than the product. This embodiment of the present invention distinguishes over the Examiner's interpretation of the Walker patent, in which the reward is the product being purchased.

Penalty limitations.

The Office Action characterizes the *penalty* limitations as being disclosed by Col. 9, line 62 - Col. 10, line 15 of the Walker patent in combination with claim 8 of the Walker patent. On page 11 of the Office Action, the Examiner asserts that in the Walker patent the buyer is charged a fee for failing to purchase a requested item once an offer is accepted by a seller, and this disclosure is interpreted as the *penalty* of the pending claims.

In response, independent claims 50 and 64 - 66 have been amended to recite that the determination is performed before the auction closes. This embodiment of the present invention distinguishes over the Examiner's interpretation of the Walker patent, in which whether the bidder is to receive a penalty can only be determined after the auction closes, and if after the auction closes, the buyer's offer has been accepted by the seller and the buyer has failed to purchase the requested item.

Independent claim 59 has been amended to recite that the penalty is received before the auction closes. This embodiment of the present invention distinguishes over the Examiner's interpretation of the Walker patent, in which buyer can only receive a penalty after the auction closes, and if after the auction closes, the buyer's offer has been accepted by the seller and the buyer has failed to purchase the requested item.

Conclusion

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

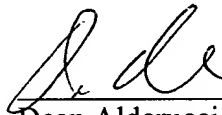
Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Dean Alderucci at telephone number 203-461-7337 or via electronic mail at Alderucci@WalkerDigital.com.

Petition for Extension of Time to Respond

Applicants hereby petition for a **three-month** extension of time with which to respond to the Office Action. Please charge **\$920.00** for this petition to our Deposit Account No. 50-0271. Please charge any additional fees that may be required for this Response, or credit any overpayment to Deposit Account No. 50-0271.

If an extension of time is required, or if an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

Respectfully submitted,



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January 10, 2002
Date

**C L A I M A M E N D M E N T S
M A R K E D U P F O R M**

Please **AMEND** the claims as follows:

1. (AMENDED) A method for providing a reward to a bidder participating in an auction, the method comprising:
 - identifying a product subject to bidding during an auction session;
 - receiving a bid for the product from a bidder during the auction session;
 - determining, based on a reward rule, whether the bidder is qualified to receive a reward other than the product, and if the bidder is qualified:
 - transmitting, to the bidder, an indication that the bidder is qualified to receive the reward.
50. (AMENDED) A method for providing a penalty to a bidder participating in an auction, the method comprising:
 - identifying a product subject to bidding during an auction session;
 - receiving a bid for the product from a bidder during the auction session;
 - determining before the auction closes, based on a penalty rule, whether the bidder is to receive a penalty; and if the bidder is to receive the penalty:
 - transmitting, to the bidder, an indication that the bidder is to receive the penalty.
54. (AMENDED) A method for participating in an auction session, comprising:
 - receiving an identification of a product subject to bidding during an auction session;
 - transmitting a bid for the product to an auctioneer during the auction session; and
 - receiving a reward other than the product in response to the bid.
59. (AMENDED) A method for participating in an auction session, comprising:
 - receiving an identification of a product subject to bidding during an auction session;
 - transmitting a bid for the product to an auctioneer during the auction session; and
 - receiving, before the auction session closes, a penalty in response to the bid.

60. (AMENDED) A computer data signal embodied in a carrier wave comprising a segment having computer processing instructions for notifying a bidder that the bidder is qualified to receive a reward other than the product in response to a previous bid submitted during an auction session.

61. (AMENDED) An apparatus for providing a reward to a bidder participating in an auction, comprising:

- means for identifying a product subject to bidding during an auction session;
- means for receiving a bid for the product from a bidder during the auction session;
- means for determining, based on a reward rule, whether the bidder is qualified to receive a reward other than the product, and
- means for transmitting, to the bidder, an indication that the bidder is qualified to receive the reward.

62. (AMENDED) An apparatus for providing a reward to a bidder participating in an auction, comprising:

- a storage device; and
- a processor connected to the storage device,

the storage device storing a program for controlling the processor; and

the processor operative with the program to:

- identify a product subject to bidding during an auction session;
- receive a bid for the product from a bidder during the auction session;
- determine, based on a reward rule, whether the bidder is qualified to receive a reward other than the product, and if the bidder is qualified:

transmit, to the bidder, an indication that the bidder is qualified to receive the reward.

63. (AMENDED) A computer readable medium encoded with processing instructions for implementing a method for providing a reward to a bidder participating in an auction, the method comprising:

- identifying a product subject to bidding during an auction session;
- receiving a bid for the product from a bidder during the auction session;
- determining, based on a reward rule, whether the bidder is qualified to receive a reward other than the product, and if the bidder is qualified:

- transmitting, to the bidder, an indication that the bidder is qualified to receive the reward.

64. (AMENDED) An apparatus for providing a penalty to a bidder participating in an auction, comprising:

- means for identifying a product subject to bidding during an auction session;
- means for receiving a bid for the product from a bidder during the auction session;
- means for determining before the auction closes, based on a penalty rule, whether the bidder is to receive a penalty; and
- means for transmitting, to the bidder, an indication that the bidder is to receive the penalty.

65. (AMENDED) An apparatus for providing a penalty to a bidder participating in an auction, comprising:

- a storage device; and
- a processor connected to the storage device,
- the storage device storing a program for controlling the processor; and
- the processor operative with the program to:
 - identify a product subject to bidding during an auction session;
 - receive a bid for the product from a bidder during the auction session;
 - determine before the auction closes, based on a penalty rule, whether the bidder is to receive a penalty; and if the bidder is to receive the penalty:
 - transmit, to the bidder, an indication that the bidder is to receive the penalty.

66. (AMENDED) A computer readable medium encoded with processing instructions for implementing a method for providing a penalty to a bidder participating in an auction, the method comprising:

- identifying a product subject to bidding during an auction session;
- receiving a bid for the product from a bidder during the auction session;
- determining before the auction closes, based on a penalty rule, whether the bidder is to receive a penalty; and if the bidder is to receive the penalty:
 - transmitting, to the bidder, an indication that the bidder is to receive the penalty